

Budget Process

Joint Appropriations Committee on Transportation

February 21, 2017



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Outline

- Fiscal Research
- Bill Drafting/LA/PED
- Fiscal Notes/Fiscal Memos
- Confidentiality
- Budget Process
- The Transportation Budget
- Next Steps



Fiscal Research Division

- Nonpartisan, professional staff serving all 170 members
- 32 analysts divided into 9 teams
- Primary responsibilities during Session:
 - Staff Appropriations Subcommittees
 - Respond to member requests
 - Write fiscal notes, fiscal memos, and incarceration notes



Fiscal Research Division

Fiscal Notes

- Five-year analysis of all estimated fiscal effects of a bill on expenditures or revenue of the State.
- Prepared upon request of bill sponsor or other member
- Request and information about note remain confidential until note becomes public



Fiscal Memo

- Same analysis as a Fiscal Note
- Usually prepared for draft bills or PCS
- Remains confidential after completion

Incarceration Note

- Required for proposed changes that may impact incarceration rates in State facilities
- Two-week completion time

Fiscal Research Division

Fiscal note requests should be e-mailed to:

@Fiscal Note Requests

Include:

- **Requestor's name**
- **Bill number (or draft number for a memo or PCS)**
- **Short title**

Fiscal Research Division



FRD website:

<http://www.ncleg.net/FiscalResearch/>

- Annotated Committee Reports
- Fiscal Briefs
- Revenue Forecasts
- Staff Listing

Transportation Team

Amna Cameron:

- Motor Fuel and Highway Use Tax Revenues
- State Transportation Improvement Program (STIP)
- Highway Construction & Maintenance
- Turnpike Authority
- Department of Transportation (DOT) Central Administration
- Governor's Highway Safety Program
- Powell Bill/State Aid to Municipalities

Transportation Team

Susan Tyler:

- Division of Motor Vehicles (DMV)
- DMV Fees
- Modal Divisions:
 - Public Transportation, Ferry, Rail, Aviation, Bicycle/Pedestrian
- Logistics:
 - State Ports Authority, Global TransPark, North Carolina Railroad Company
- Visitor Centers
- IT
- Office of Civil Rights

Bill Drafting & Legislative Analysis

Bill Drafting & Legislative Analysis Divisions:

- Draft legislation and budgetary provisions
- Conduct legal research and analysis:
 - ❖ Constitutionality, statutory conformance, administrative process/regulations
- Staff Standing, Interim, and Oversight Committees

Program Evaluation Division (PED)

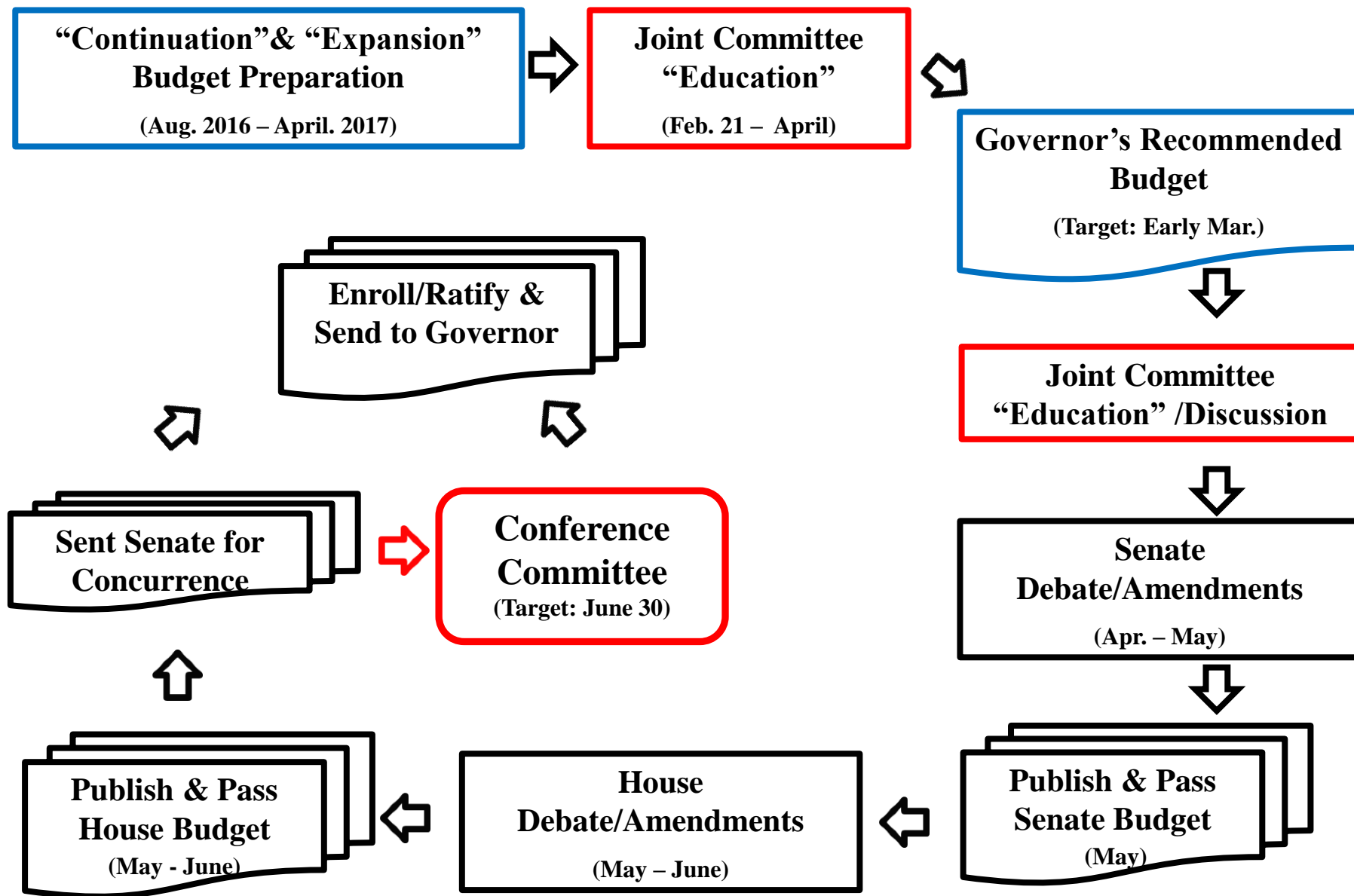
Program Evaluation Division:

- Conducts formal, longer-term studies of programs
- Evaluation components:
 - ✓ Performance audits
 - ✓ Activity-based costing
 - ✓ Strategic planning

Confidentiality

- **ALL requests made to Fiscal Research, Bill Drafting, Legislative Analysis, and Program Evaluation staff are confidential**
- **Requests to agencies by staff are NOT confidential unless directly related to a fiscal note**





FY2017 Flow of Funds (millions)

Highway Fund \$2,049

Motor Fuels Tax \$1,266
Registrations \$544
Licenses \$163
Other \$76

\$2,002
Maintenance \$1,051
Bridge Preservation \$242
Construction \$45
Powell Bill \$148
Administration \$124
Intermodal \$229
DMV \$125
Capital Improvements \$7
Other \$31

71% ← → 29%

Transfers: \$47	
Ports	\$35
Other GF Agencies	\$12

Public Transportation	\$92
Rail	\$37
Ferry	\$51
Aviation	\$48
Bike/Pedestrian	\$1

Highway Trust Fund \$1,371

Motor Fuels Tax \$517
Highway Use Tax \$707
Title Fees & Other \$147

\$1,371
Strategic Transportation Investments \$1,226
Debt Service: GO Bonds \$61 NCTA \$49
Admin./Other \$35

Federal Aid \$1,258

FHWA \$1139
Grants/ARRA \$119

Strategic Transportation Investments \$1,034
STI – NCTA \$6
STI – Bike \$1
Rail \$50
Airports \$20
Transit \$35
GARVEE ¹ \$99
GHSP ² \$14

Other \$109

Civil Penalties \$28
DMV Tag & Tax \$22
Interest \$11
NCTA Tolling \$43
Ferry Tolling \$5

OSBM - Civil Penalty & Forfeiture Fund \$28
DMV Tag & Tax \$22
NCTA Debt Service & Other \$54
Ferry System Capital Improvements \$5

Total STI = \$2,267

¹ Includes federal aid and GARVEE proceeds for NCTA projects
² Governor's Highway Safety Program

FY 2015-17 Legislative Recap

- Revenue Changes
- Maintenance Funding Increased, Consolidated
- Empowered Highway Division Engineers
- New Ports Funding
- Privatization and outsourcing increased
- DOT REPORT Program
- Additional Tolling Authority
- Ferry Capital Budget
- Additional Dredging Funds

Next Steps

Tentative Schedule:

(Governor's Budget TBD)

- 2/22/17: Transportation Primer
- 2/28/17: Secretary Jim Trogdon/ Base Budget (BB)
- 3/1/17: Maintenance & Construction
- 3/2/17: BB; Division of Motor Vehicles (DMV)
- 3/7/17: DMV continued; STI/STIP; MPO/RPOs
- 3/8/17: Debt Affordability; Debt Instruments; Tolling
- 3/9/17: Revenue Sources
- 3/14/17: BB; Rail Division

QUESTIONS?

Fiscal Research Division
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Bill Drafting
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